

Chico Natural Foods Board of Directors Meeting  
 Wednesday, February 24th, 2010  
 Chico Peace and Justice Center, 526 Broadway

**February Action Box**

Duty	Who	Deadline	Date Completed	Mark X if new policy
Update on monitoring the staff wage increase	Liza	March GM report		
Annual Membership Meeting Update	All	ASAP by email		
Meat Taskforce meeting	Ron, Liza, Julia, Peter and Nina	At 11 AM on 3/2		
KZFR Pledge Drive	David, Becca and Liza	At station 7 PM on 3/26		
Begin education process with employees and members regarding the agreement for use of our co-op member benefits and discounts, via employees and newsletters.	Liza and MMSC Janae	Begin with March newsletter		
Contact the phone system company that provided the quote to see if they will improve the service and training section as well as contact other local vendors for a better comparison. Send information update to the BOD via email	Liza	As soon as possible to move ahead.		
Contact absent directors regarding whether starting our general membership earlier will work for them.	Luisa			
Confirm meeting time of Friday March 5 @ 4:30 with Rick B. for all to learn more about reading financial reports.	Liza			

**Attachments:**

1. GM report
2. Meat Taskforce meeting report
3. Finance Committee meeting report

**Attendees:** Luisa Garza, Davis Lewis, Peter Ratner, Julia Murphy , Becca Watkins, Liza Tedesco, Ron Toppi, Scott Richman (Directors absent - Nina Gregory and Dale Rudesill)

**Opening Procedures**

- A. Check in with everyone
- B. President Luisa Garza calls the meeting to order at 6:15 PM
- C. Newly elected Directors Julia and David were introduced to Grocery Manager Ron Toppi
- D. Approval of agenda – All in favor of approval of agenda with additions of Scribe position as item E under New Business and report of the Meat Taskforce meeting as item 3 under Reports
- E. Approval of minutes – Peter moves to approve the minutes for both December and January. Luisa seconded. **The** Directors who were present at these meetings vote yes to approve
- F. The BOD did not receive any emails or written correspondence in the past month
- G. For this meeting the Facilitator will be David and the Process Guardian will be Becca

**Comments from the public**

A. Ron wanted to attend our BOD meeting to find out more about how the Board operates. Ron was recently promoted to the store’s grocery manager and this is the first time he has attended a meeting of a Food Co-op Board.

B. Comments from Ombudsperson Scott Richman – Scott will write a letter to staff thanking them for voting him to this position. Scott questioned the utilization of the Ombudsperson over the past year and suggested the BOD may want to reconsider the position due to the expense it adds to payroll costs. Peter and Luisa see the

importance of keeping this position for at least another year and David would not be in favor of eliminating this position without a vote from the staff. Scott offered to write BOD meeting summaries each month with information of particular interest to staff.

## Reports

### A. General Manager's Report (see attachment 1)

January's total sales were up 1% and February is up 4% from same period last year. Our fourth quarter inventory calculations are not yet completed. For a recent **period of several weeks**, the total store wages were over 20% of sales but **have since** been running below 19%. Total labor costs **for all of 2009 were 22.9%. Total labor costs for January 2010 were 25.6%**. Liza responds to David's questioning of this increase with a brief summary of the storewide wage increase implemented in **September** of 2009. Luisa asked about the reviewing of increased efficiencies to contain total labor costs. **This review has been anticipated to occur sometime after the first** six month period **with the higher store wages**. Rick has reported the budget assumption that wage expense will run 19.9% at the start 2010 but will be running at 19.1% by the end of 2010. There have been many structural changes that are taking time to lead to increased efficiencies and a new operational handbook is in the works which **is expected to improve overall efficiency**. The level of staff scheduling is being based on weekly sales projections to keep the costs in line. **In regard to capital improvements**, Liza will be proposing a timeline for a retail floor refurbishment to give the BOD a thorough review of this project. The phone system upgrade is still being investigated and for now we are getting by with the old system.

### B. Member Discount Taskforce

David gave a verbal report of the meeting on 2/8 which was attended by Janea, Piro, David, Liza and Scott. The taskforce reviewed the importance of getting **more** data on discounts and educating members about the cost of abusing the limit of just one secondary member per household. Issuing scan cards for the identification of current members at the cash registers will be investigated. The taskforce discussed **the possible** option of changing the staff discount to an employee only benefit so it would **no longer** be extended to employee households.

### C. Meat Taskforce (see attachment 2 for the meeting report submitted by Julia)

The taskforce met on 2/16 with Peter, Nina, Liza and Julia in attendance. Quality meat products are a growing **segment of** the grocery industry. Luisa's policy draft is good with only minor changes being noted **by taskforce members**. Once adopted as policy it would be important to periodically review our products for compliance. Ron spoke of the seasonal availability of some of the higher quality meats that we sell. Liza would like the BOD to develop the policy. Ron is asked to attend the next Meat Taskforce meeting at 11 AM on Tuesday 3/2.

## Committee Updates

### A. Strategy Committee

Luisa reported that the committee did not meet in February and the next meeting is set for Thursday 3/18 at 5:15 in the purple loft.

### B. Finance Committee (see attachment 3 for report of meeting on 2/19 with Rick, David, Julia, Liza and Scott)

## Old Business

### 1. Annual membership meeting date and location

Peter and Liza have been on this committee. We have been planning for this meeting to take place in March. The 1078 Gallery is the best option for location, size and ability to provide food without need to sell meal tickets for the event. **Peter moves we have our annual membership meeting at 6 PM on 3/31, that it is a potluck and Liza will direct staff to schedule the 1078 Gallery**. Luisa seconded the motion and all were in favor.

### 2. KZFR pledge drive volunteering

Chico Natural Foods is signed up to have three of us volunteer from 7-9 PM on Friday 3/26 at the station. David, Becca and Liza offered to represent us for this service. **A second night is scheduled for Friday 4/2 from 7-9PM and Luisa/Peter and Julia offered to volunteer.**

## **New Business**

A) Nominations and voting of new officers

**Peter nominated Luisa for President and David seconded. All were in favor**

**Luisa nominated David for Vice President and Peter seconded. All were in favor**

**Luisa nominated Julia for Secretary and David seconded. All were in favor**

**For the position of Treasurer the BOD was in agreement to have Rick continue as our Treasurer**

B) Change of BOD meeting times for longer meeting

Luisa wants to provide longer business meeting and suggested we may end at 9:00 or 9:30 instead of 8:30.

David is interested in the possibility of starting the meetings at 5:00. **Luisa moves to extend the BOD meeting up to 3 ½ hours.** Becca seconded the motion and all were in favor.

C) Board training in Sacramento and budget of fee

Liza estimates the cost is \$65 per participant for the Sacramento presentation of Cooperative Board Leadership 101, which is on Saturday, April 10. **Peter moves to send the Board to the Sacramento training.** Luisa seconded and all were in favor.

D) Propose a BOD working meeting date in March with Comptroller

David is available after 4:30 PM on Mondays, Wednesdays, or Fridays. Julia is not going to be in the area March 13-20. Liza will be out of the office on Friday 3/19. Rick works at the store on Fridays and a tentative date of 3/5 at 4:30 was set for this working meeting.

E) Scribe position

**Luisa moves to hire Scott as BOD Scribe.** Becca seconded and all were in favor. Luisa would like Julia, our new Secretary, and Scott to provide an annual schedule of all meetings and deadlines in a calendar format.

At 8:37 Luisa moves to adjourn the meeting. David seconded and all were in favor.

Meeting Minutes submitted in draft by Scott Richman on 2/28/2010